Sanitized Copy Approved for Release 2011/02/28 : CIA-RDP82-00457R004300390001-5 REPORT CENTRAL INTELLIGENCE AGENCY INFORMATION REPORT CD NO. 50X1-HUM CONFIDENTIAL DATE DISTR. 14 FEB 50 Yugoslavia COUNTRY NO. OF PAGES 1 SUBJECT Aluminum Industry - Lozovac Factory NO. OF ENCLS. PLACE **ACQUIRED** SUPPLEMENT TO 50X1-HUM DATE OF REPORT NO. INEO THIS DOCUMENT CONTAINS IMPOLENTION AFFICTION THE MATIONAL DEFERRE OF THE GRITCH CHATES WITHIN THE MEANING OF THE GIVINAGE ACT SO P. S. C., 31 AND 12. AS A SUREDIDE, 17 PERMONESSIGN OR THE SEVELATION OF ITS CONTENTS IN ANY LARMER TO AN UNANTHORIZED PURSON IN PRO-RESTRUCTURE ALSO REPORDICTION OF THIS FORE IS PROCRIBITED. THIS IS UNEVALUATED INFORMATION THE STATE OF THE S 50X1-HUM The aluminum factory at Lozovac, near Sibenik, formerly called La Dalmatienne, was built in 1936. During the war this factory was badly damaged, but has since been restored. 2. Following the decision in the autumn of 1948 to proceed with the construction of the Strnisce plant and make it the main aluminum production center of the country, the Lozovac factory was ordered to concentrate on aluminum alloys research and production. One of the reasons which prompted this decision derived from the fact that the Lozovac factory depended for its bauxite on the Drnis bauxite mine located nearby. Extraction of sodium aluminate from this particular quality of bauxite involved delays lasting from two to ten days, and caused production bottlenecks. Solution of this problem by importing better quality bauxite from other areas was ruled out by high transport costs and bad railway communications. 3. In 1948, Dr. Erich Hermann of the Lozovac research laboratory staff began research into the production of duraluminum. Satisfactory results have been obtained and three different types of duraluminum alloys have been obtained in the laboratories. 4. Drnis bauxite contains 0.1 percent to 0.2 percent vanadium minerals, and the Lozovac laboratories have succeeded in extracting vanadium pentoxide and vanadium salts from aluminum lye. Laboratory experiments are in progress in an attempt to extract very nearly pure vanadium from vanadium pentoxide and salts, and every effort is being made towards producing vanadium in commercial quantities. 5. Research is also in progress on the production of pure aluminum for use in electrical condensors. To date Yugoslavia has had to import all these condensors. Lozovac is the only factory in Yugoslavia producing aluminum oxide and aluminum ingots. Production figures for 1948 were: Aluminum oxide - 8,500 tons per year - 1,900 tons per year. Aluminum CONFIDENTIAL SECONTROL CLASSIFICATION DISTRIBUTION NAVY AIR X NSRB STATE ARMY Document No. \_\_\_ No Change in Class.